

Exhibit C

Part 4

GLOBAL REINSURANCE CORPORATION - U.S. BRANCH
1345 SIXTH AVENUE, 20th FLOOR
New York, N.Y. 10105 TELEPHONE (212) 754-7500

STATEMENT OF ACCOUNT

Re: Contract Description: 4158

FACULTATIVE CASUALTY QUOTA SHARE

Accounting Period: HOME INS.

May 15, 2007

Underwriting Year

1963 - 1970

To: ARGONAUT INSURANCE CO.
123 N. WACKER DRIVE, SUITE 2210
CHICAGO, IL 60606

Date Prepared: May 15, 2007

CURRENCY: U.S. \$	DEBIT	CREDIT
Portfolio Entry/Withdrawal		
Commission on Portfolio Entry/Withdrawal		
Loss Reserve Entry/Withdrawal		
Premiums Written		
Commission @		
Overriding Commission @		
Losses	117,355.00	
Adjustment Expenses	2,404.23	
Federal Excise Tax		
Premium Reserve Deposit		
Loss Reserve Deposit		
Interest on Deposit		
Balance Due (OUR FAVOR)		119,759.23
	\$119,759.23	\$119,759.23

Unearned Premium End of Period

0.00

Includes

Outstanding Losses End of Period ...

237,471.28

(\$

0.00 IBNR)

Total Deposit as of

\$237,471.28

(\$

0.00 ACR)

Please send inquiries to Joan Burke

Retro Account Analyst

Direct #: (212) 821-0490

Fax #: (212) 821-0459

and/or: Rina Sorey - Assistant Vice President

GERLING GLOBAL REINSURANCE CORP. U.S. BRANCH

4150

FACULTATIVE CASUALTY QUOTA SHARE

Home Ins. Co. -

May 15, 2007

LOSSES		100%
1963		562,050.80
1964		555,745.80
1965		275,000.00
1966	1-6/66	0.00
1966	7-12/66	0.00
1967		0.00
1968		0.00
1969	1-6/69	0.00
1969	7-12/69	0.00
1970		0.00
		<u>1,392,796.60</u>
EXPENSES		
1963		0.00
1964		0.00
1965		118,587.04
1966	1-6/66	0.00
1966	7-12/66	0.00
1967		0.00
1968		0.00
1969	1-6/69	0.00
1969	7-12/69	0.00
1970		0.00
		<u>118,587.04</u>
OUTSTANDING LOSSES		
1963		0 R
		0 A
1964		186,789 R
		0 A
1965		4,561,654 R
		0 A
1966	1-6/66	0 R
		0 A
	7-12/66	0 R
		0 A
1967		0 R
		0 A
1968		0 R
		0 A
1969	1-6/69	0 R
		0 A
	7-12/69	0 R
		0 A
1970		0 R
		0 A
TOTAL		<u>4,748,442</u>
		RCR 4,748,442
		ACR 0
		TOTAL 4,748,442

FACULTATIVE CASUALTY QUOTA SHARE TREATY

HOME INSURANCE COMPANY

Ceding Company	Insured	Certificate	Date of Loss	Claim	GLOBAL Loss this period	GLOBAL Exp this period	GLOBAL share of O/S Loss	GLOBAL share of O/S Exp	Argo Loss Bill	Argo Expense Bill	Argo Reserve	Provision Cut off (w/a)
HOME INSURANCE	ARMOUR & CO AS	7106519	07/21/1964	16069	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1
HOME INSURANCE	ARMOUR & CO AS	7106519	07/21/1965	16070	0.00	0.00	0.00	0.00	0.00	0.00	0.00	184/26
HOME INSURANCE	AMERICAN BRAKE AS	7106538	06/01/1965	00143	0.00	0.00	2,000,000.00	0.00	0.00	0.00	83,835.62	153/26
HOME INSURANCE	CORNING GLASS WORKS	7106558	02/01/1965	16857	0.00	0.00	500,000.00	0.00	0.00	0.00	45,753.42	334/26
HOME INSURANCE	CORNING GLASS WORKS	7106559	02/01/1965	16860	0.00	0.00	681,853.75	0.00	0.00	0.00	51,395.17	334/26
HOME INSURANCE	GENERAL ELECTRIC AS	7106870	10/01/1965	16615	0.00	0.00	0.00	0.00	0.00	0.00	0.00	92/26
Total					0.00	0.00	3,061,853.75	0.00	0.00	0.00	180,984.21	
HOME INSURANCE	ANACONDA COMPANY HW	7106879	10/19/1965	16777	125,000.00	53,903.20	0.00	0.00	2,534.25	1,082.83	0.00	74/26
HOME INSURANCE	ANACONDA COMPANY HW	7106878	10/19/1965	16776	83,333.33	35,935.47	0.00	0.00	1,689.50	728.55	0.00	74/26
HOME INSURANCE	ANACONDA COMPANY HW	7106877	10/19/1965	16557	66,666.67	28,748.37	0.00	0.00	1,351.60	682.84	0.00	74/26
HOME INSURANCE	GENERAL ELECTRIC HW	7106870	10/01/1965	16783	0.00	0.00	500,000.00	0.00	0.00	0.00	12,602.74	92/26
HOME INSURANCE	GENERAL ELECTRIC HW	7106870	10/01/1965	16784	0.00	0.00	500,000.00	0.00	0.00	0.00	12,602.74	92/26
HOME INSURANCE	GENERAL ELECTRIC HW	7106870	10/01/1965	16785	0.00	0.00	500,000.00	0.00	0.00	0.00	12,602.74	92/26
Total					275,000.00	118,587.04	1,500,000.00	0.00	5,575.34	2,404.23	37,808.22	
HOME INSURANCE	ELI LILLY AND CO DE	7106318	09/25/1963	15069	562,050.80	0.00	0.00	0.00	56,205.08	0.00	0.00	1
HOME INSURANCE	ELI LILLY AND CO DE	7106316	9/25/1964	15072	555,745.80	0.00	186,788.51	0.00	55,574.58	0.00	18,678.85	1
Retro 4158 Totals					1,392,796.80	118,587.04	4,748,442.26	0.00	117,355.00	2,404.23	237,471.28	

5/14/2007 2:24 PM

EXHIBIT 14



Argonaut Insurance.
MEMBER ARGONAUT GROUP

June 14, 2007

David Ramos
Global Reinsurance Corporation – U.S. Branch
1345 Avenue of the Americas, 20th flr.
New York, N.Y. 10105

RE: First Surplus and Quota Share Billing Statements of 5/15/07

David:

I recently received the above-captioned. The outstanding balances shown were at issue in the completed QS arbitration. As you are aware, that Panel ruled that no coverage was owed.

Sincerely,

Donald J. Bryck

CC: T. Hajost

EXHIBIT 15

**HALLORAN
& SAGE LLP**

ATTORNEYS AT LAW

THERESA W. HAJOST Direct 202 263-4971 hajost@halloran-sage.com

Admitted in Maryland and Washington, DC

June 15, 2007

Via Facsimile

Jeffrey S. Leonard, Esquire
Budd Larner
150 John F. Kennedy Parkway
CN 1000
Short Hills, New Jersey 07078-0999
jleonard@budd-larner.com

Re: In the Matter of the Arbitration Between Global Reinsurance
Corp. - U.S. Branch and Argonaut Insurance Company (First Surplus
Contract and Quota Share Contract)

Dear Mr. Leonard:

In accordance with my letter of May 14, 2007 demanding that Global replace Richard L. White with an arbitrator appropriate to serve in this matter, and Global's failure to do so, Argonaut is hereby appointing Ronald S. Gass as Global's party-appointed arbitrator herein. Mr. Gass has not been contacted regarding this appointment. For your convenience, I have attached a copy of Mr. Gass' ARIAS profile and have copied him on this letter.

As noted in my letter to you of April 11, 2007, Argonaut does not consider Global's demand to be an arbitrable matter. Argonaut continues to reserve its right to request that a court determine whether Global's demand is in fact arbitrable.

Very truly yours,



Theresa W. Hajost

TWH/tlc

Cc: Ronald S. Gass
Paul C. Thomson, III



Ronald S. Gass

ARIAS-U.S. Umpire



Current Employment

Company: **The Gass Company, Inc.**

Position: President - Consultant providing dispute resolution services as an umpire and arbitrator to the reinsurance and insurance industry.

Address: 59 Ravenwood Drive
Weston, CT 06883-1410

Phone: 203-227-9431

Fax: 212-208-3003

Email: rgass@gassco.com

Website: www.gassco.com

Attorney: Yes

Previous Employment

Company: **XL Reinsurance America Inc.
(formerly NAC Reinsurance Corporation)**

Position: Vice President and Associate General Counsel - Extensive reinsurance business experience in a broad range of issues including reinsurance contract wordings and interpretation; MGA transactions and disputes; retrocessionaire collections and disputes; reinsurance arbitrations, litigation and mediation; surety reinsurance; aviation reinsurance; commutations; receiverships and rehabilitations; setoffs; and technology; and U.S. economic sanctions-related coverage disputes

Company: **American Insurance Association**

Position: Associate General Counsel and Corporate Secretary - Extensive experience in business issues and litigation involving ceded reinsurance, property and catastrophe insurance, medical professional liability insurance, and insurance antitrust law

Years of Experience

Insurance

Company: 2

Reinsurance

Company: 8

Other:

- Arbitrator and umpire 5
- American Insurance Association 7
- Assistant Attorney General, MD 3
- Law firm 2
- Total legal experience 27

Number of Arbitrations

As an Arbitrator:
76

As an Umpire:
13

As Counsel: 6

Completed Arbitrations (Award Issued)

As an Arbitrator:
21

As an Umpire: 6

Number of Mediations

As Counsel: 2

Company: **Medical Mutual Liability Insurance Society of Maryland**

Position: General Counsel, Assistant Vice President and Secretary -
Extensive experience in occurrence and claims-made medical professional liability insurance

Company: **Office of the Maryland Attorney General**

Position: Assistant Attorney General -
Administrative hearings counsel to various state health care practitioner licensure and disciplinary agencies

Company: **Venable, Baetjer and Howard**

Position: Associate - Practice concentrating in hospital and health care law

Credentials

Education: B.A., Duke University - 1973; M.A., U. of Chicago - 1975; J.D., U. of Maryland School of Law - 1979; Mediation Workshop, Harvard Law School - Program of Instruction for Lawyers - 2004; Admitted in Connecticut and Maryland; Admitted before the U.S. District Court for the District of Maryland

Principal Areas of Insurance/Reinsurance Experience

Extensive experience in a broad range of business issues including reinsurance contract wordings and interpretation; reinsurance collections; MGA transactions and disputes; coverage disputes involving various lines of business including property and catastrophe insurance, surety reinsurance, aviation reinsurance, general liability and medical malpractice liability insurance, technology, and U.S. economic sanctions; reinsurance arbitration, litigation and mediations; commutations; reinsurance intermediary disputes and E&O issues; receiverships and rehabilitations; and setoffs. Participated as counsel in 5 arbitrations and 2 mediations.

Other Information

Vice-Chair of the American Bar Association Tort Trial and Insurance Practice Section's Excess, Surplus Lines and Reinsurance Committee. For publications, see my web site at www.gassco.com

Search Keywords**Professional Background**

- Attorney
- Legal Department
- Former Insurance Company Officer
- Former Reinsurance Company Officer

Insurance

- Contract Wording
- Professional Liability/Errors & Omissions

Reinsurance

- Asbestos
- Aviation
- Commercial Liability
- Commercial Property
- Commutations
- Contract Wording
- Environmental/Pollution
- Excess/Surplus Lines
- Facultative
- Fidelity & Surety
- MGA/MGU
- Ocean Marine
- Personal Lines
- Product Liability
- Professional Liability/Errors & Omissions
- Receivership
- Treaty
- Workers' Compensation

site by

Ecommerce Solutions, Shopping Cart Software, Web Content
Management, Internet Marketing

CERTIFICATION OF SERVICE

I hereby certify I caused true and correct copies of the within Notice of Removal, Motion to Seal, Declaration of Jeffrey S. Leonard dated July 5, 2007, Rule 7.1 Disclosure and Memorandum of Law to be served upon Petitioner's attorneys via Federal Express, next day delivery, on this 5th day of July 2007, as follows:

Thomas E. Brennan, Esq.
Dan E. Labelle, Esq.
Halloran & Sage
315 Post Road West
Westport, Connecticut 06880

Theresa W. Hajost, Esq.
Daniel Blumenthal, Esq.
Halloran & Sage
1730 Pennsylvania Avenue, NW
Suite 800
Washington, D.C. 20006
Attorneys for Petitioner

I declare under penalty of perjury that the foregoing is true and correct. Executed on July 5, 2007.


DANIEL F. CORRIGAN

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ABC CORPORATION,	:	CIVIL ACTION NO.
	:	
Petitioner,	:	FILED UNDER SEAL
	:	
v.	:	
	:	
XYZ CORPORATION,	:	
	:	
Respondent.	:	

NOTICE OF REMOVAL

BUDD LARNER, P.C.
150 John F. Kennedy Parkway
Short Hills, New Jersey 07078
(973) 379-4800
Attorneys for Respondent
GLOBAL Reinsurance Corporation - U.S. Branch